Theories of the policy process

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January 2007

Comments welcome!

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Introduction

In this paper I discuss to what extent various frameworks, theories and models of the policy process[1] are applicable for the study of changes in urban development policies in the Nordic countries that I intend to accomplish. The paper proceeds as follows: First I introduce my research questions which concerns changes in urban development policies and the increasing influence of culture-led urban development policies. This is followed by a discussion of some of the theoretical frameworks, that I believe potentially could be employed in my project. I will spend most energy in the discussion of the Advocacy Coalition Framework (Sabatier, 2006).

Understanding changes in urban development policies

In the last decade urban planning in the Nordic countries has been strongly influenced by new ideas about what factors that make cities competitive in an increasingly globalised economy, where knowledge, creativity and innovation are the driving forces for economic growth and prosperity. Today, there is a strong belief among a large share of policy-makers, that cities first and foremost have to be attractive for *people* in order to prosper, which is somewhat contrary to previous dominant beliefs, which said that attracting *capital* and *companies* was most important, fx by providing good infrastructure and services for private companies. Now things are the way other way around: If the city has an attractive "human climate", where talent and tolerance flourish, the city should be able to attract knowledge workers. The companies of the knowledge industry follow afterwards (Florida, 2002). Cities that are full of life, that has a vibrant cultural scene, where spectacular sports and cultural events takes place and so on, will be the most attractive places to live and therefore also the most competitive cities in the knowledge economy - in these years this is one of the most dominant beliefs among policy-makers from medium sized towns to global metropoles. This belief has been influencing urban

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[1] The frameworks, theories and models of the policy process discussed here are primarily the ones presented and discussed at the phd-course "Advanced Theories of the Policy Process and Strategies for their Application ", Southern Danish University, 4-11 October, 2006. The course was organised by Prof. Paul Sabatier (University of California, Davis), Ass. Prof. Morten Balle Hansen (Southern Danish University, Odense) & Prof. Søren Winther (Danish Institute of Social Research, Copenhagen).

planning and urban development policies throughout the Nordic countries during the last decade and especially during the last 4-5 years.

As a consequence, *culture* and *experiences* have moved towards the centre stages of urban development policies. The belief in culture-led urban development policy, however, has not only challenged established beliefs about what drives urban development among policy-makers within the urban planning *policy subsystem* (Sabatier, 1999), but it has also challenged beliefs and caused controversy among coalitions in other policy subsystems, that are affected by this trend, fx the *local development policy subsystem* and *the cultural policy subsystem*. In cities all over the Nordic countries there are indications of an increasing critical debate about the implications of the (new) cross-cutting culture-led urban development policy for the "traditional" content of urban planning, local development policy and cultural policy. The (nascent) advocacy coalition that pledges for culture-led urban development attracts many supporters from other policy subsystems, but at least in some Nordic cities there are indications of a simultaneous growth of an *anti-coalition (or "sceptisism coalition")*, which attracts members from more traditionalist coalitions within the subsystems of urban planning, local development policy and cultural policy. Members of the anti-coalition comprise sceptics to the alleged effects of culture-led urban development, especially in the local development policy subsystem. Sceptics can also be identified within the cultural policy subsystem, who sees traditional welfare oriented rationales of cultural policies like education, enlightment and social inclusion as being threatened by the increased instrumentalisation and commercialisation of culture.

The specific content of culture-led urban development policy and its implementation (the policy "output") in a given city has to be understood as the result of policy-making processes, where various coalitions battle with each other, a battle that partly takes place in various sectoral policy subsystem, but which can also partly take place in a *cross-sectoral policy-subsystem* of culture-led urban development policy. In practice, one of the key challenges concerning the implementation of culture-led urban development policy that has been noticed is exactly its cross-sectoral nature, since it involves various municipality departments, local business elites, key cultural actors, etc. Organisations and

individuals that traditionally have been rather remote from each other now have to work closer together (Bradford, 2004). In recent years many municipal administrations in the Nordic cities have been trying various models of organisation and governance in order to improve the implementation of culture-led urban development policies.[2]

Research questions

After this brief introduction to the topic of my project, I will present the two main research questions of my project, which are:

> 1. Why has culture-led urban development policy become increasingly influential?

> 2. How can culture-led urban policy be implemented and what conditions influence implementation?

The answers to the first question will be sought within the changing socio-economic conditions for urban development as well as in the urban policy-making process, where various coalition confront with each other in order to influence policy output as outlined above (more on this below in connection to the ACF, Sabatier, 2006). The second question reflects that I regard policy-output as a dependent variable. I expect that policies are implemented differently in different cities and contexts. I wish to answer this question by taking into account especially how the municipal administration has been organised in order to improve the implementation, but also by taking into account those socio-economic conditions and institutions (Ostrom, 2006, also below) that may influence implementation.

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[2] As an example the cultural department and the urban planning department in the city of Odense in Denmark have recently been amalgamated in order to bring culture more actively into urban planning issues (www.odense.dk). A similar organisational model has been introduced in the Norwegian city of Stavanger in order to improve the implementation of culture-led urban development policies (www.stavanger.no)

My focus is on the local (urban) level/scale, while the importance of advocates, or sceptics, of culture-led urban policy from other levels (regional, national, etc.) will also be taken into account. As sketched out above, I predict to find controversies between a range of advocacy coalitions, especially on the local scene.

Empirically my focus is on Nordic cities. The time horisont of my study is from the mid 1990s up untill today. From the mid 1990s onwards housing-prices started to increase with great speed, especially in and around the largest Nordic cities, which has resulted in incentives for people to move further away from central parts of the Scandinavian metropoles. This has also meant that an increasing number of localities in the metropolitan hinterland have become potential places to live for the increasing number of commuters. As a result many cities in the metropolitan hinterland now compete more intensely than ever to attract new inhabitants, visitors and consumers. In this competition culture and experiences have become important tools. Furthermore, in this time period the increasing globalisation has meant that many Nordic cities have been marked by economic restructuring, which has made it increasingly important for them to seek alternative development strategies like culture-led urban development strategies.[3]

Thus, the "output" understood as the content of urban policies has been in a process of change in a very large proportion of the Nordic cities (Ærø & Jørgensen, 2005), while the "outcome", understood as the effect of this new kind of culture-led urban development policies on the attractiveness and competitiveness of cities, in many cases, is more dubious or in many cases not yet measurable (please notice, that I am not interested in *outcome* in the sense of effect on fx urban economic growth and urban competitiveness). I intend to select a number of cities cities, where I assume, that this development question is pronounced, and where I expect that there is some degree of controversy in the public debate and among the policy elite, as to what strategy the city should follow.

In the remaining part of this paper, I wish to discuss to what extent various established frameworks for the analysis of policy processes, can be used in my project. What I am after, is a theoretical *framework*, not necessarily a *theory* which is more narrow in scope

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[3] Here I do not differ between strategies and policies.

and more sophisticated in terms of relationships, and neither a *model*, which is even more narrow and have precise assumptions about the nature of relationships (Ostrom, 2006). A conceptual framework on the other hand "…identifies a set of variables and relationships that should be examined in order to explain a set op phenomena. A framework can provide anything from a skeletal set of variables (or variable sets) to something as extensive as a paradigm" (Sabatier, 2006a: 4). Thus, a framework of the policy process should help me identify elements and relationships among these elements, i.e. *variables* that need to be considered, in order to answer my research questions.

The stages model

The *stages model* of the policy process (Lasswell, 1956) can be regarded as one of the simple heuristics for the study of the policy process. The model divides the policy process into a series of stages (*agenda setting, policy formulation and legitimation, implementation*, and *evalutation*), and discuss some of the factors, that affect the process within each stage. The stages model however has some importants flaws. First of all, it is a descriptive and not a causal model of the policy process, since no causal drivers are identified, which again provides no basis for formulating testable hypotheses. In the real world the sequence of the stages is rarely as prescribed by the stages model. As an example policy-formulation often goes on at the same time as implementation. Here the stages model gives a wrong picture ("rational sequential bias"). Further, it perceives the policy process as "problem-solving" and in that way downplays conflict, which inhibit our understanding of policy-making as a battle between different coalitions (see ACF below). There is a focus on formal decision-making processes and the stages correspond to the institutionalised arenas of representative democracy, which however underestimates the importance of non-formal processes and other arenas/venues. The stages model assumes, that what legislators decides are implemented (top-down problem-solving), which ignores the conflictual process and bottom-up forces fx in the problem-formulation stage, where much conflict normally takes places to find out what the problem is. There is only focus on one single policy process and no, or at least limited, account for the connection to other related policy processes. Many variables are not considered, most importantly *context* and *individual actors*, which strongly reduces an understanding of the complexity of the environment for policy-agents as well as an

understanding of the behaviour of individual actors. The importance of the background *context* (fx historic-geographical context, local economic situation, transport-linkages, local policy-regimes, organisation and management style of the municipality, etc) that affects the behaviour of members of the policy environment, I consider as important variables in my study. Furthermore, the broad group of actors which are involved in the different stages needs to be considered in every stage of the process from agenda-setting, problem-formulation, implementation and evaluation. Different kinds of actors (researchers, NGO's, media, civil servants, etc.) have different interest in various stages, they have various amount of resources and capacities and of course views upon the world in different ways which affect their behaviour (Sabatier, 2006a).

Because of these flaws the (original) stages model is only useful for me to a very limited degree. I see it as a useful model to specialise policy research (fx in agenda setting or implementation) and it provides a good "descriptive map" of the policy process (DeLeon in Sabatier, 2006).

Institutional analysis and development framework (IAD)
IAD presents a "general language about how rules, physical and material conditions, the attributes of community affect the structure of action arenas, the incentives that individuals face, and the resulting outcomes" (Ostrom, 2006: 41). The IAD has a goal about explaining different kinds of human behaviour as influeced by different kinds of institutions, the latter referring to shared concepts used by humans in repetitive situations organized by rules, norms, and strategies[4]. *Institutions*, then, are fundamentally shared concepts that exist in the minds of the participants, which can be shared as implicit knowledge rather than in an explicit and written form. Further, according to Ostrom, institutions[5] refer to many different types of entities, including both organisations and the

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[4] *Rules* meaning shared prescriptions (must, must not, or may) mutually understood and predictably enforced in particular situations by agents responsible for monitoring conduct and for imposing santions. *Norms* Ostrom understands as shared prescriptions that tend to be enforced by the participants themselves through internally and externally imposed costs and inducements. *Strategies* is defined as regularized plans that individuals make within the structure of incentives produced by rules, norms and expectations of the likely behaviour of others in a situation affected by relevant physical and material conditions (Ostrom, 2006: 4).

[5] According to Ostrom, institutions themselves are invisible, while the buildings in which organised entities might be located are quite visible (Ostrom, 2006: 3 & 4 ff).

rules used to structure patters of interaction within and across organisations (Ostrom, 2006: 3 ff). The concept of an *action arena* refers to a social space, where individuals interact, exchange goods and services, solve problems, dominate one another, or fight. The action arena, which is structured by a set of variables[6], includes an *action situation* and the *actors*[7] in that situation (Ostrom, 2006: 10). Ostrom utilises this concept, which somewhat resembles Sabatier's concepts of policy-subsystem (see below), as *the* important dependent variable and as such a way to analyze, predict and explain behaviour within institutional arrangements (Ostrom, 2006: 24).

A strength of the IAD is its identification of a set of clear causal drivers of the policy process and in principle virtually all human social behaviour: *The individual* is regarded as always primarily self-interested, but who also is affected by trust and reciprocity, and an incomplete knowledge of possible alternatives and their likely outcomes, which reflects an influence of Simons individual with a "bounded rationality"[8] (Ostrom, 2006: 18); and "context", being *institutional rules* and secondary *community characteristics* and *physical material conditions*.

The IAD and Institutional theories in general have been highly influential in new economic geography, which stresses the importance of local and regional institutions for processes of local and regional economic growth (Storper, 1998; Storper & Walker, 1989). Obviously, the IAD has its appealing sides for me, but it also has some flaws. In relation to the usability in a study of urban development policies, too little attention is given to the variables of the physical/material conditions and attributes of the community, that in my opinion is important to understand why policy-processes have different outcomes in different geographical (urban) settings. The limitations of Ostrom framework includes an over-focus on rules-in-use as the causal drivers in comparison to the influence of physical/material conditions and attributes of the community in understanding actors

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[6] 1) Rules used by participants to order their relationships, 2) attributes of states of the world that are acted upon in these arenas, and 3) the strcuture of the more general community wihin which any particular arena is placed (Ostorm, 2006:12).

[7] For elaborated definitions of *actions situations* and *actors* see Ostrom 2006: 13 ff)

[8] In the late 1990s Ostrom has changed her assumptions about the individual in her model from being close to "homo economicus" to an individual with a bounded rationality (Ostrom, 2006; Sabatier, 2006b).

behaviour and the policy process (Sabatier, 2006a). Exactly the different geographical and urban contexts, I potentially regard as highly important to understand the behaviour of individuals and the outcome of policies (Grabher, 1993; Granovetter, 1985).

Ostroms framework seems to supersede the stages approach because of its more sophisticated account of variables like community characteristics, multiple levels of actions and the model of the individual, which however also neglects psychological factors and perceptual filters, as well as a non-sequential account of policy stages. According to IAD policy outcomes might affect the action arena (actions situations and actors), but it might also affect the context (the physical/material conditions, attributes of community and rules-in-use). An important limitation however is that Ostrom's framework is ill-suited to deal with complex situations involving a large number of institutions (Sabatier, 2006b).

In my project, I am not interested in making predictions about likely patters of behaviour of individuals and their outcomes, which is an important goal of IAD (Ostrom, 2006: 24). However, the focus on the importance of institutions for behaviour is useable as well as the notion of embededdness of individuals (Ostrom, 2006: 20; Granovetter, 1985) as well as the concepts of action arena and the context influencing this arena. The IAD is useable in identifying rules-in-use (and not only rules-in-form) as well as shared norms and operational strategies of participants in an action arena, which are aspects that other theories of the policy process have less in focus, including the ACF (see below).

The Advocacy Coalition Framework (ACF)

The core of my research question is to explain the reasons, to why changes in urban policy making occur. As the ACF is about explaining belief change of policy participants and policy change over a period of time, and because it basically is a framework of the policy process " …to deal with "wicked" problems, i.e. those involving substantial goal conflicts, important technical disputes, and multiple actors from several levels of government" (Hoppe and Peterse in Sabatier & Weible, 2006: 2), the ACF immediately seems attractive for my study of why (beliefs in) culture-led urban development policies, recently have become so influential. As outlined above the move to the centre stage of

urban development strategies that culture has made, has also spurred of criticism, scepticism and nascent anti-coalitions. Therefore, the focus on the complexities as well as conflict and controversy in the policy making process as well as political mobilisation of the ACF, is attractive for me.

Furthermore, the foundational "stones" of the ACF are convincing: 1) policy-making primarily occurs among specialist within a *policy subsystem* and their behaviour is affected by factors in the broader political and socio-economic system; 2) the ACF has a model of *the individual,* that draws heavily on social psychology, which is important in relation to understand the *belief systems*[9] of policy actors (below); 3) the ACF deals with the multiplicity of actors in a policy subsystem as aggregated into various *advocacy coalitions,* where the coalition members share the same policy core *beliefs* and together hold a set of *coalition resources*[10]*,* that can be used in order to influence public policy.

The ACF takes into account that actors like researchers and journalists also have an important role to play in the policy-making process ("policy participants") and that they, like the members of the traditional"iron triangle", are motivated to translate their beliefs into actual policy (Sabatier & Weible, 2006: 5). According to the ACF, scientific and technical information plays an important role in modifying these beliefs. The view of policy-making in the ACF goes beyond a formal description of policy-making as policy-making to a very high degree takes place among actors that are not legislators (contrary to the stages model). The ACF takes the influence of consultants and researches into account as an important way that belief systems of policy participants can be changed (consultants, researchers and journalists are regarded as policy participants themselves). *External factors* that affect the behaviour of policy participants is also taken into account

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[9] The ACF here draws of the belief system literature of policy participants by primarily March & Simon (1958), Putnam (1976) and Peffley and Hurwitz (1985) and distinguishes among *deep core beliefs, policy core beliefs* and *secondary beliefs* (Sabatier & Weible, 2006: 9 ff. for definitions).

[10] For a typology of policy-relevant resources that policy particpants can use in their attempts to influence public policy, see Sabatier & Weible, 2006: 20 ff. This typology is one of the central innovations in the 2006 version of the ACF.

as they are important in establishing the resources and constraints within which subsystem actors must operate (Sabatier & Weible, 2006: 7).[11]

As Sabatier & Weible (2006: 6) stress, the identification of the appropriate scope of a subsystem is one of the most important aspects of an ACF research project. Besides identification of the properties of policy subsystems, the identification of the stable and unstable parameters of the broader policy system, the different components of the policy core beliefs as well as identification of coalition resources, are what should be expected, if one should follow the ACF entirely (ibid: 28 ff). Expecting that this is possible, I would presume that the increasing belief in culture-led urban development can be understood as either a change of *policy core beliefs* or a change in *secondary beliefs[12]* among policy participants. Following Sabatier & Jenkins-Smith I also believe that the increasing influence of culture-led urban development policy, can be understood as *policy-oriented learning,* which takes places because of"relatively enduring alternations of thought or behavioural intentions that result from experience and/or new information and that are concerned with the attainment or revision of policy objectives" (Sabatier & Jenkins-Smith in Sabatier and & Weible, 2006: 15). As Sabatier and Weible point out, secondary beliefs are more susceptible to policy oriented learning, because the relatively narrow scope requires less evidence and belief change among fewer individuals (ibid). *External shocks[13]* I also presume could be the causes of a change of the agenda of urban development policies and an increasing belief in culture-led development policies, at least in some Nordic cities. Most Danish municipalities currently are involved in a process of amalgamation with neighbouring municipalities (the number of municipalities changes

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[11] Sabatier & Weible (2006: 7) distinguish between *stable exogenous external factors* that rarely change (e.g. fundamental socio-cultural values and basic constitutional structure) and *dynamic external factors* (e.g. changes in socio-economic conditions, changes in governing coalition, as well as policy decisions from other subsystems). Importantly, the ACF assumes that change in one of the dynamic factors is a *necessary* condition for major policy change.

[12] *Policy core beliefs* are applications of deep core beliefs that span an entire policy subsystem. They deal with fundamental policy choices and are difficult to change and they are one of the essential means of defining a coalition *Secondary beliefs* are relatively narrow in scope compared to policy core beliefs and changing them requires less evidence and fewer agreements among subsystems actors and thus should be less difficult. (Sabatier & Weible, 2006: 9 ff.).

[13] Changes in socioeconomic conditions, regime change, outputs from other subsystems or a disaster (Sabatier & Weible, 2006: 16).

from 275 to 98) which I would consider as a potential external shock, that might change the urban development policy agenda.

In the revised version of the ACF (Sabatier, 2006c) some of the remaining shortcomings is identified. One is the"collective action problem", where integration with the policy network approach (PNA) is mentioned as a way forward (Adam & Kriesi, 2006). The absence of clearly conceptualized and operationalized institutional variables that structure coalition formation and behaviour, is recognised by Sabatier & Weible as one of the underdeveloped aspects of ACF, although the introduction of the concept of *political opportunity structures* is a step in that direction. Another important unanswered question is what the network properties of subsystem participants and advocacy coalitions are (Sabatier & Weible, 2006: 30). Here integration with PNA could be a promising way forward. The analytical value of the PNA is, that it conceptualises policy-making as a process involving a diversity of actors, who are mutually interdependent. This framework has its roots in interorganisational theory, which stresses that actors are dependent on each other, because they need each others resources to achieve their goals (Adam & Kriesi, 2006). The PNA also aims to understand power and domination between actors in a policy-network and also stresses the importance of understanding interactions between the various actors. Actors are not regarded as atomized and isolated, but as mutually interlinked, which provides a perspective that allows for a combination of an actor-centred focus with an overall structural perspective (Adam & Kriesi, 2006: 26).

Summing up

Above I have presented my research questions and discussed, albeit briefly, some of the possible theoretical frameworks of the policy process that I consider most relevant to answer the questions that I pose. The stages model I find useful as it provides a simple"descriptive map" of the policy process, although it has some obvious shortcomings. Still, it is useful for me to point to the stages, that I find most relevant in relation to my research questions, which are the stages of *agenda setting, policy formulation* and *implementation*. The IAD is useful, as it stresses the importance of *institutions* for the policy-process, and"context" as *institutional rules* and secondary *community characteristics* and *physical material conditions*. The IAD in its account of

the individual, however, lacks the psychological factors and perceptual filters, which is present in the ACF. In sum, the ACF provides the most convincing framework of policy analysis for me, so far, but I also intend to dig more into the policy network approach (e.g. Kickert et al., 1997; Bogason, 2000) in order to build a - probably quite eclectic - theoretical framework, that I can use to answer my research questions.

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